

Defense Federal Acquisition Regulation Supplement

Part 225—Foreign Acquisition

SUBPART 225.71--OTHER RESTRICTIONS ON FOREIGN ACQUISITION

(Revised December 13, 2000)

225.7100 Scope of subpart.

This subpart contains foreign product restrictions which are based on policies designed to protect the defense industrial base.

225.7101 Definitions.

Relevant definitions are in the clause at 252.225-7025, Restriction on Acquisition of Forgings.

225.7102 Forgings.

225.7102-1 Policy.

DoD requirements for the following forging items, whether as end items or components, shall be acquired from domestic sources (as described in the clause at 252.225-7025) to the maximum extent practicable—

<u>ITEMS</u>	<u>CATEGORIES</u>
Ship propulsion shafts	Excludes service and landing craft shafts
Periscope tubes	All
Ring forgings for bull gears	All greater than 120 inches in diameter

225.7102-2 Exceptions.

The policy in 225.7102-1 does not apply to acquisitions—

(a) Using simplified acquisition procedures, unless the restricted item is the end item being purchased;

(b) Overseas for overseas use; or

(c) When the quantity acquired exceeds the amount needed to maintain the U.S. defense mobilization base (provided such quantity is an economical purchase quantity). The restriction to domestic sources does not apply to the quantity above that required to maintain the base, in which case, qualifying country sources may compete.

225.7102-3 Waiver.

Upon request from a prime contractor, the contracting officer may waive the requirement for domestic manufacture of the items covered by the policy in 225.7102-1.

225.7102-4 Contract clause.

(a) Use the clause at 252.225-7025, Restriction on Acquisition of Forgings, in solicitations and contracts, except for acquisitions—

(1) Excepted in 225.7102-2; or

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(2) Where the contracting officer knows that the supplies being acquired do not contain the restricted items.

(b) If an exception under 225.7102-2 applies to any portion of the acquisition, specify the exception in the solicitation and contract.

225.7103 Polyacrylonitrile (PAN) carbon fiber.

225.7103-1 Policy.

DoD has imposed restrictions on the acquisition of PAN carbon fiber from foreign sources. DoD is phasing out the restrictions over the 5-year period ending May 31, 2005. Contractors with contracts that contain the clause at 252.225-7022 must use U.S. or Canadian manufacturers or producers for all PAN carbon fiber requirements.

225.7103-2 Waivers.

Contracting officers may, with the approval of the chief of the contracting office, waive, in whole or in part, the requirement of the clause at 252.225-7022. For example, a waiver may be justified if a qualified U.S. or Canadian source cannot meet scheduling requirements.

225.7103-3 Contract clause.

Use the clause at 252.225-7022, Restriction on Acquisition of Polyacrylonitrile (PAN) Carbon Fiber, in solicitations and contracts for major systems as follows:

(a) In solicitations and contracts issued on or before May 31, 2003, if--

(1) The system is not yet in production (milestone III as defined in DoD 5000.2-R, Mandatory Procedures for Major Defense Acquisition Programs (MDAPS) and Major Automated Information System (MAIS) Acquisition Programs); or

(2) The clause was used in prior program contracts.

(b) In solicitations and contracts issued during the period beginning June 1, 2003, and ending May 31, 2005, if the system is not yet in engineering and manufacturing development (milestone II as defined in DoD 5000.2-R).